

CALIFORNIA STUDENT AID COMMISSION
& EDFUND



FUND **YOUR** FUTURE



98/99 SCHOOL YEAR



**The California Student
Aid Commission and
EdFUND can help you get
the education you want.**

Depending on your financial need,
you may qualify for grants, loans,
or employment opportunities.
Inside you'll learn about the major
financial aid programs and how
to apply for them.



Financial Need

Most financial aid is awarded based on your financial need. To qualify, you first must have your eligibility for financial aid determined. This is the difference between your college costs, also known as your student budget, and what you and your family are expected to contribute. Your family's expected contribution will remain the same, whatever college you choose.

You begin by filing the 1998-99 Free Application for Federal Student Aid, or FAFSA. You also may have to complete additional applications, depending on the college you plan to attend.

Because college costs vary, you may qualify for different amounts of aid at different schools. Keep in mind, not all colleges participate in all financial aid programs. Your financial aid package may include grants, loans, employment opportunities, and other options. Before accepting any offer, be sure you understand all its terms and conditions. Contact your financial aid office with any questions.

Dependent or Independent?

Whether you're a dependent or independent student is key to establishing your eligibility for financial aid. If you're a dependent student, your parents' ability to help out is considered; if you're independent, you'll be evaluated on your own – your parents' income and assets usually won't be considered. You're an independent student if at least one of these describes you: you were born before January 1, 1975; are an orphan or ward of the court; are married; are a graduate or professional student; are a veteran of the U.S. Armed Forces; have legal dependents other than a spouse; or you have special circumstances, as determined by a financial aid administrator.

Cal Grants

The California Student Aid Commission offers Cal Grants to help pay for college or vocational training and they don't have to be repaid. You can accept only one Cal Grant a year and cannot already have a bachelor's degree. You also must be a legal California resident. To learn what it means to be a California resident, contact your financial aid office.

Selection for all Cal Grants is based on financial need and grades. Disadvantaged background is considered for Cal Grant B; and vocational interest and aptitude for Cal Grant C.

To apply for a Cal Grant, you must file the FAFSA between January 1 and the March 2, 1998 postmark deadline. You also must provide the California Student Aid Commission with a completed GPA Verification Form

by March 2. Forms are available from your financial aid office or the Commission.

Cal Grant A helps pay for tuition and fees at four-year colleges. For 1997-98,

the maximum awards were \$3,799 at the University of California, \$1,584 at California State University campuses, and up to \$8,184 at independent colleges.

If you receive a Cal Grant A but want to attend a California community college first, you can reserve your award for up to two years until you transfer to a four-year college. If you choose to have your award held in reserve, you won't be able to use your award if you transfer to a four-year college during your first year.

Cal Grant B provides a living allowance for very low-income students. More than half of all new Cal Grant B recipients begin at a community college. The Cal Grant B for first-year students usually is limited to assisting with living expenses, books, supplies, and transportation.

College Costs

(tuition, fees, books and supplies, room and board, transportation, personal expenses)

– Your Expected Family Contribution
(how much you and your parents are expected to pay)

= Your Financial Need



0% Fee Loans

When renewed, the Cal Grant B also may go toward tuition and fees. For 1997-98, the maximum living allowance was \$1,410. The awards for tuition and fees were the same as those for Cal Grant A.

Cal Grant C assists vocational students with tuition and training costs. For 1997-98, the maximum award was \$2,360 for tuition and fees, and \$530 for tools, books, and equipment.

Pell Grants

Federal Pell Grants are the largest grant program and provide a foundation for additional aid. Pell Grants are awarded to every qualified undergraduate and don't have to be repaid. You should always apply for a Pell Grant. For the 1997-98 school year, Pell Grants for full-time students ranged from \$400 to \$2,700. Part-time students also can receive Pell Grants. To apply, you must file the FAFSA.

Federal Loans

Qualified students and their parents can take out Stafford loans (unsubsidized and subsidized) and PLUS loans for education. In California, these federal loans are guaranteed by the California Student Aid Commission and administered by EdFund – A Service of the California Student Aid Commission. Consolidation loans are also offered.

The loans are made by banks, savings and loans, and credit unions under the Federal Family Education Loan Program. You also can borrow under the Federal Direct Loan Program, with the federal government as the sole lender. Whether you borrow under the FFELP or the Direct Loan Program depends in which program your school participates.

The amount you can borrow varies by the type of loan and your enrollment status. Before borrowing, be sure the education is a good investment. Look at alternatives and borrow only to meet your college costs. It may take ten years or more to repay a student loan. Borrow smart – give yourself some credit.

Subsidized Stafford loans are need-based. The interest rate is

You'll pay no insurance fee on Stafford and PLUS loans guaranteed by the Commission through June 30, 1998, a savings of 1% over loans guaranteed by other agencies. You pocket the savings up front.



SAVINGS!

variable, with a cap of 8.25%. The federal government pays the interest while you're in school. Six months after graduating, leaving school, or dropping below half time, you must begin repaying your loan.

Unsubsidized Stafford loans are for all qualified students, regardless of

their income. While you don't have to show financial need, you do have to meet all the other requirements for the subsidized Stafford loan. Interest begins to accrue immediately but payments may be deferred. Repayment starts six months after you're no longer enrolled at least half time.

To apply for a Stafford loan, you must complete the FAFSA and the Stafford loan application and promissory note.

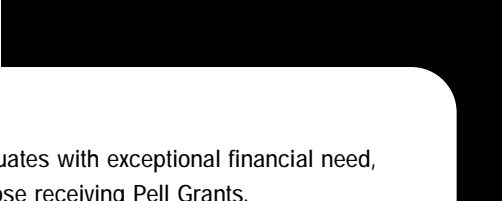
PLUS loans can be taken out by parents with a good credit history for their dependent's educational expenses. Interest starts to accrue immediately. Repayment begins within 60 days after the last disbursement for the school year. PLUS loans are variable, with a cap of 9%. To apply for a PLUS loan, your parents must complete the PLUS application and promissory note.

Consolidation loans make repayment easier for those with large or unmanageable loan payments. Lenders pay off your existing loans, making a new loan with a single monthly payment and an extended repayment period of up to 30 years. The new loan carries its own terms and conditions. To apply, you must complete the Consolidation loan application and promissory note.

Campus-Based Federal Programs

When you file your FAFSA, you'll be considered for the following three campus-based programs, but it's up to each participating college how to award these funds. Contact your financial aid office for more information.

Federal Supplemental Educational Opportunity Grants



are for undergraduates with exceptional financial need, with priority to those receiving Pell Grants.

Federal Perkins loans (5%) are for undergraduate and graduate students with exceptional financial need.

Federal Work-Study provides part-time jobs for undergraduate and graduate students.

Other California Financial Aid

The California Student Aid Commission also offers a number of specialized programs. For more information and application materials for these programs, contact the Commission.

Graduate Fellowships provide tuition and fee assistance for graduate students who demonstrate their intent to become full-time college or university faculty members. For 1997-98, maximum awards were \$1,669 at UC, \$882 at CSU, and \$6,490 at independent colleges.

To apply for a Graduate Fellowship, you must file your FAFSA between January 1 and the March 2, 1998 postmark deadline, and include parental income and asset information. You must also provide the Commission with a GPA Verification Form and test scores by March 2.

Assumption Program of Loans for Education

assumes up to \$8,000 in loan debt for students pursuing a K-12 teaching career, in exchange for teaching service.

Child Development Teacher Grants assist college students pursuing a Regular Children's Center Teacher or Director Permit.

Robert C. Byrd Honors Scholarships are for outstanding high school graduates who show promise of continued achievement in college.

Law Enforcement Personnel Dependents

Scholarships are for dependents and spouses of California peace officers and firefighters killed or totally disabled in the line of duty.

State Work-Study funds part-time jobs for students at selected colleges.

Looking forward to
college but not sure

how to pay for it?

Grants, scholarships,
work-study, and other

financial aid

programs can help

you get there. A

student loan also

can help you **achieve**

your **goal**, but keep

in mind loans must be

repaid, with interest.

CHECKLIST

- ➔ Explore your options early and pay close attention to deadlines. Look through scholarship and grant directories; check out the World Wide Web.
- ➔ Don't disqualify yourself! If you think you'll need financial aid, apply for it.
- ➔ Pick up a copy of the 1998-99 FAFSA at high schools, financial aid offices, career centers, and libraries. With *FAFSA Express*, you can file on your own computer.
- ➔ Complete the FAFSA accurately and completely. Be sure you and your parents, if required, sign it before mailing. Make copies of everything.
- ➔ Submit your FAFSA by the March 2, 1998 postmark deadline for Cal Grants and Graduate Fellowships. Get a Certificate of Mailing as evidence everything was sent on time.
- ➔ Send your GPA Verification Form, required for Cal Grants and Graduate Fellowships, to the California Student Aid Commission by March 2. Again, get a Certificate of Mailing.
- ➔ Review your Student Aid Report carefully. You should receive it within four weeks after filing your FAFSA. By filing your FAFSA early, you'll have time to review the SAR and make any corrections.
- ➔ Ask about scholarships and other financial aid programs at each school when applying. Some deadlines may be *earlier* than the March 2 Cal Grant deadline.
- ➔ Consider grants and other financial aid you don't have to repay before applying for a student loan. Accepting a loan means accepting the responsibility of repaying it.
- ➔ Research other options, including military and veterans benefits, college fee waivers, and special tuition payment plans.
- ➔ Finally, look into federal student loan programs. For most loans, you must first file the FAFSA.

Questions?

To learn more about:

- **Cal Grants, Graduate Fellowships**, and other California financial aid programs, contact your counseling or financial aid office, or the California Student Aid Commission, P.O. Box 419026, Rancho Cordova, CA 95741-9026; (916) 526-7590.
- **Student loans**, contact EdFUND, P.O. Box 419045, Rancho Cordova, CA 95741-9045; (916) 526-7900.
- **Pell Grants** and other federal financial aid programs, call the U.S. Department of Education toll-free 1-800-4-FED-AID. If you're disabled, you can request a free cassette recording on financial aid information.
- **The FAFSA**, see your high school counselor or college financial aid office, or call 1-800-4-FED-AID. The FAFSA is used to apply for Cal Grants, Graduate Fellowships, Pell Grants, Stafford loans, and other financial aid. With *FAFSA Express*, you can file on a personal computer. For a free copy on diskette, call 1-800-801-0576. *FAFSA Express* can also be downloaded from the web at www.ed.gov/office/OPE/express.html

On the Web

- California Student Aid Commission
www.csac.ca.gov
- EdFUND
www.edfund.org
- Mapping Your Future
www.mapping-your-future.org
- U.S. Department of Education's *The Student Guide*
www.ed.gov/prog_info/SFA/StudentGuide
- *FAFSA Express*
www.ed.gov/office/OPE/express.html
- The Financial Aid Information Page
www.finaid.org
- FastWeb
www.fastweb.com

